

FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

JAN 31 2003

OFFICE OF
MANAGING DIRECTOR

Aaron P. Shainis, Esq.
Shainis & Peltzman, Chartered
Suite 240
1850 M Street, N.W.
Washington, D.C. 20036

Re: Hispanic Keys Broadcasting Corp.
Station WVIB (TV), Key West, FL and
Station WVEB-CA, Miami, FL
Request for Waiver of FY 2002 Regulatory Fees
Fee Control No. 00000RROG-03-045

Dear Mr. Shainis:

This is in response to your letter dated September 25, 2002, filed on behalf of Hispanic Keys Broadcasting Corp. (Hispanic Keys) for a waiver and deferral of the \$34,700.00, \$320.00, and \$10.00 fiscal year (**FY**) 2002 regulatory fees for Stations WVIB(TV), WVEM-CA, and WMV-848, respectively. The total amount at issue for these stations for FY 2002 is \$35,030.00.

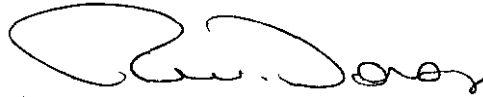
In establishing a regulatory fee program, the Commission recognized that in certain instances payment of a regulatory fee may impose an undue financial hardship upon a licensee. The Commission therefore decided to grant waivers or reductions of its regulatory fees in those instances where a "petitioner presents a compelling case of financial hardship." *See Implementation of Section 9 of the Communications Act*, 9 FCC Rcd 5333, 5346 (1994), *recon. granted*, 10 FCC Rcd 12759 (1995). In reviewing a showing of financial hardship, the Commission relies upon a licensee's cash flow, as opposed to the entity's profits, and considers whether the station lacks sufficient funds to pay the regulatory fee and maintain service to the public. **Thus**, even if a station loses money, any funds paid to principals, deductions for depreciation or similar items are considered funds available to pay the fees.

You have submitted a copy of a balance sheet reflecting Hispanic Keys' total assets and total liabilities and equity for 2001, as well as a copy of Hispanic Keys' profit and loss statement for 2001. These papers indicate that Hispanic suffered a financial loss in 2001 without regard to any deduction for amortization and depreciation. These papers indicate that Hispanic suffered a financial loss in 2001 even when assuming that the total payroll expense amount **as** reflected on the profit and loss statement (i.e., \$152,445.46) **was** paid

to principals of the corporation. (We make this assumption because the documents you submitted do not indicate whether or to what extent the corporation compensated the principals.) We therefore grant your request for a waiver of the \$35,030.00 FY 2002 regulatory fees.

If you have any questions concerning this matter, please contact the Revenue & Receivables Operations Group at (202) 418-1995.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Reger".A small, stylized handwritten mark or flourish.

Mark A. Reger
Chief Financial Officer

00000RR06-03-045

Shainis & Peltzman, Chartered

Counselors at Law

Suite 240

1850 M Street, N.W.
Washington, D.C. 20036

(202) 293-0011

Fax (202) 293-0810

e-mail: shainispeltzman@s-plaw.com

Aaron P. Shainis
aaron@s-plaw.com

Lee J. Peltzman
lee@s-plaw.com

Sec.'s copy

Of Counsel
William H. DuRoss, III
bill@s-plaw.com
Robert J. Keller
bob@s-plaw.com

September 25, 2002

RECEIVED

SEP 25 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Office of the Managing Director
Federal Communications Commission
445 12th Street, S.W., Rm. 1-A625
Washington, DC 20554

Attn: Regulatory Fee Waiver/Reduction Request

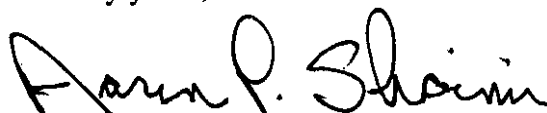
**Re: WVIB (TV) Key West, Florida and WVEB-CA Miami, Florida
Facility I.D. Nos. 27387 and 29547**

Dear Sir:

Hispanic Keys Broadcasting Corporation is the licensee of the above-referenced Stations. It is respectfully requested that the 2002 Regulatory Fees for the above-referenced facilities in the amount of Thirty Five Thousand Thirty Dollars (\$35,030.00) [WVIB (TV) \$34,700.00; WVEM-CA \$320.00; WMV-848 \$10.00] be waived and the payment be deferred. In support, the following is respectfully submitted.

Submitted herewith is the balance sheet for Hispanic Keys Broadcasting Corporation ending on December 31, 2001. The documentation clearly shows a loss in the year 2001 of almost Three Hundred Thousand Dollars (\$300,000.00). Accordingly, it is respectfully requested that the regulatory fees be waived and the payment be deferred. It is respectfully submitted that payment of the fees at the present time would result in an undue hardship to the licensee and possibly the suspension of broadcast operations. The financial information submitted herewith is proprietary in nature, accordingly, confidentially is respectfully requested.

Sincerely yours,



Aaron P. Shainis
Counsel for Hispanic Keys Broadcasting Corp.

Enclosure

Curry.WVIB035.kdm

RECEIVED NGV 12002

ORIGINAL

Hispanic Keys Broadcasting Corporation
Balance Sheet
 As of December 31, 2001

09/24/02

	<u>Dec 31, '01</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank of America	31,627.94
Bank of America - Office Acct.	15,925.77
First Liberty Nat'l Bank	348.44
Petty Cash Fund	100.00
Smith Barney Money Market	7,063.33
Textron Interest Reserve Acct.	198,760.00
Total Checking/Savings	253,825.48
Other Current Assets	
Deposits	14,110.00
Employee Advances	3,200.00
Equipment Deposit	3,982.97
Total Other Current Assets	<u>21,292.97</u>
Total Current Assets	275,118.45
Fixed Assets	
Broadcast Equipment	-3,444.84
Computer Equipment	23,881.18
Furniture	5,649.79
Honda Civic	3,000.00
Office Equipment	15,009.99
Production Van	0.00
Trailer	6,136.00
Total Fixed Assets	<u>50,232.12</u>
Other Assets	
Broadcast License	3,464,575.87
FCC License Fees	32,825.00
Leasehold Imp.	69,427.14
Legal Fees-Engineering	9,970.10
Loan Costs	343,250.34
Org. Costs	1,681.39
Prepaid Rent	3,379.42
Total Other Assets	<u>3,925,109.26</u>
TOTAL ASSETS	<u><u>4,250,459.83</u></u>

09/24/02

Hispanic Keys Broadcasting Corporation
Balance Sheet
As of December 31, 2001

	Dec 31, '01
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>389,712.73</u>
Total Accounts Payable	389,712.73
Other Current Liabilities	
Interest Reserve Account	198,760.00
Payroll Taxes Payable	1,489.42
Spottswood note Payable	55,058.31
Unemployment taxes payable	<u>2,951.04</u>
Total Other Current Liabilities	<u>258,268.77</u>
Total Current Liabilities	647,981.50
Long Term Liabilities	
Loan-LBC	200,000.00
N/P-Westminster Dev. Bank	4,250,000.00
Note Payable-Koteen	58,360.33
Stockholder Loan	<u>37,801.17</u>
Total Long Term Liabilities	<u>4,546,161.50</u>
Total Liabilities	5,194,143.00
Equity	
Common Stock	500.00
Retained Earnings	-660,193.45
Net Income	-283,989.72
Total Equity	<u>-943,683.17</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,250,459.83</u></u>

Hispanic Keys Broadcasting Corporation
Profit & Loss
 January through December 2001

09/24/02

	<u>Jan - Dec '01</u>
Ordinary Income/Expense	
Income	
Int Inc	41,051.18
Other Inc	401,240.w
Paid Programming	13,571.20
Pts	45,545.20
Religion	4,845.00
Returned Check Charges	-1.7W.00
Spot Sales	41,020.00
Spot Sales - Trade	4,000.00
Time Sales	443,841.58
Total Income	<u>993,414.16</u>
Expense	
Amortization	88,445.30
Auto	10,754.W
Bank Chrg	530.27
Beepers	2,000.00
Cable Interconnect	114,070.53
Commission	9,485.00
Conference Fees	450.00
Consulting	94,084.44
Contributions	50.w
Depreciation-Broadcast Equip	21,571.63
Depreciation-Van	766.43
Dues	789.00
Education	0.00
Entertain	1,257.15
Equipment rental	0.00
Fed Ex/Airborne	2,299.79
Insurance	29,774.16
Int Exp	471,584.79
L&P Fees	24,584.07
Late Fees	3,386.88
Lease Exp.	63,796.40
License Fees	3,552.00
Maintenance	392.81
Misc	1,503.81
Office	24,329.94
Payroll Expenses	152,446.46
Postage	47.53
Production	2,223.60
Professional Fees	4W.00
Programming	620.83
Rent Paid	44,325.24
Repairs	13,385.03
Sales Tax on Leases	1,538.76
Software	432.82
Subscriptions	149.00
Supplies	2,646.03
Tapes	239.36
Tax	30,286.58
Telephone	19,184.75
Townhouse	0.00
Traffic	1,985.00
Travel	38,356.13
Utilities	-311.60
Webpage Expense	0.00
Total Expense	<u>1,277,403.88</u>
Net Ordinary Income	-283,989.72
Net Income	<u><u>-283,989.72</u></u>

Shainis & Heltzman, Chartered

Counselors at Law

Suite 240

1850 M Street, N.W.
Washington, D.C. 20036

(202) 293-0011

Fax (202) 293-0810

e-mail: shainis@heltzman.com

Aaron P. Shainis
aaron@s-plaw.com

Lee J. Heltzman
lee@s-plaw.com

Of Counsel

William H. DuRoi, III
bill@s-plaw.com

Robert J. Keller
bob@s-plaw.com

January 14, 2003

VIA FACSIMILE

Mr. Tom Pumam
Revenue and Receivable Operation Group
Federal Communications Commission
445 12th Street, S.W. Room 1-A840
Washington, D.C. 20554

Dear Tom:

With respect to my letter of September 25, 2002 (copy attached), I apologize for the typographical error in the letter. Specifically, the call letters are WVIB(TV) and WVEB-CA. The facility ID numbers, however, are correct. I apologize for the confusion. If you have any questions, don't hesitate to contact me.

Sincerely yours,



Aaron P. Shainis

APS/kdm

Enclosure